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Rev

(195⁴⁸) Department

Ms SERIES.

G.O. No.

1252

Dated

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[Despatch Abstract.]

Establishment - Commercial Taxes Department - Administration of
the Madras General Sales Tax Act as amended - Additional staff
Sanctioned.

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Establishment - Commercial Taxes Department - Administration of the Madras General Sales Tax Act as amended now - Additional staff-Sanctioned.

REVENUE DEPARTMENT

Dated the 25th May 1948.

Read the following:

From the Board of Revenue Ref.No.U.7871/47-6-d/19.2.48.

From the Board of Revenue Ref.No.U.7871/47-7-d/ 1.3.1948.

From the Board of Revenue Ref.No.U.7871/47-8-d/19.3.1948.

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The Government have examined the Board's proposals for additional staff required to cope with the increased ~~work~~ work consequent on the recent amendments to the Madras General Sales Tax Act and the rules framed thereunder. The Government consider that the standard number of assesses for a Deputy Commercial Tax Officer and for an Assistant Commercial Tax Officer should be ~~22~~ 375 and 275 respectively. As regards the clerical and menial staff for the offices of the Commercial Taxes Department the standard should be as follows:-

Assistant Commercial Tax Officer's Office. 1 3 lower division clerks.
1 3 peons

Deputy Commercial Tax Officer's Office.

	2 Lower Division clerks.
	1 Attender:
	2 Pwons.

Commercial Tax Officer's Office.

1	Upper division clerk.
1	Lower Division clerk.
1	Typist .
3	Peons.

On this basis, the Government sanction the employment of the following additional staff in the Commercial Taxes Department from the date of employment until 31-3-1949:-

- (1) 47 Deputy C.T.Os. on Rs. ~~31-311919~~ 200-10-300 each p.m.
- (2) 53 Assistant C.T.Os. on Rs. 150-5-200 each p.m.
- (3) 429 Lower division clerks on Rs. 45-90 each p.m.
- (4) 21 Typists on Rs. 45-90 each p.m.
- (5) 144 Attenders on Rs. 24-35 each p.m.
- (6) 424 Peons on Rs. 16-25 each p.m.

The additional staff will draw the dearness allowance and other allowances admissible to them under the rules.

2. The expenditure should be debited to "13.d-Other Taxes and Duties-Commercial Taxes-Pay of Establishments-Voted"

3. The Accountant-General is requested to admit the expenditure in audit pending provision of funds. The Board of Revenue is requested to submit in due course particulars for the preparation of the supplementary statement of expenditure on account of the cost of the staff sanctioned in para 1 above.

4. At present an Assistant Commercial Tax Officer exercises the powers of an assessing authority in the case of dealers whose turnover does not exceed Rs. 20,000 and a Deputy Commercial Tax Officer exercise the powers of an assessing authority in the case of dealers whose turnover exceeds 20000. It has been suggested that some economy might be effected by increasing the number of Assistant Commercial Tax Officers and reducing the number of Deputy Commercial Tax Officers. In order that this may be done it would be necessary to enlarge the financial jurisdiction of an Assistant Commercial Tax Officer and make him the assessing authority in respect of dealers with a higher turnover than at present.

Rs. 30,000 has been suggested as a suitable limit. There seems to be no serious objection to the financial jurisdiction of an Assistant Commercial Tax Officer being enlarged when it is borne in mind that the present limit of Rs. 20,000 was fixed several years ago, when the Act came into force and when money had not fallen in value. The Board of Revenue is requested to examine and report on the feasibility of raising the financial jurisdiction of the Assistant Commercial Tax Officers from Rs. 20,000 to Rs. 30,000 and to work out the number of Assistant Commercial Tax Officers and Deputy Commercial Tax Officers required on that basis. A report on this point should be submitted as early as possible.

5. The Board of Revenue is informed that its proposals for the bifurcation of certain districts like Malabar, Coimbatore etc. are under consideration and that orders will be issued separately.

Sd/-x x x x x
24.5.1948.

To
The Board of Revenue.
The Accountant-General through Finance.

/True Copy/

SP/2.12.

Office Assistant,
Madras Record Office.

SUMMARISING NOTE.

Establishment - Commercial Taxes Department - Additional staff for increase of work consequent on the amendment to the Madras General Sales Tax Act - ~~Employment~~ - Employment - Scheme sanctioned without reference to Standing Finance Committee and Cabinet.

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In February last, the Board of Revenue submitted detailed proposals for strengthening of the Commercial Taxes Department. The Board was of the view that additional staff was necessary to cope with the increase of work resulting from the recent amendments to the Madras General Sales Tax Act and the Rules and also to deal with the increase in the Departments' work due to other causes.

2. The Board's proposals were examined in consultation with the Finance Department. It is found that there has been a steady increase in the number of dealers assessed to sales tax during the past few years. This increase will in itself necessitate the employment of additional staff. In addition, the recent amendments to the Sales Tax Act and the rules thereunder throw a considerable volume of extra work on the Commercial Taxes staff. For instance, every dealer with a turnover of Rs. 7,500 and over is now required under the Act to get himself registered. There was no provision of this kind before. Formerly the sale of bullion, yarn, handloom cloth etc. was exempt from liability to tax. Dealers in these commodities were only asked to take out licences. The exemption has however been withdrawn and a single point tax has now been introduced in respect of these commodities. It will therefore be necessary in future for the staff to scrutinise the accounts of these dealers to assess their turnover. Another change introduced by the recent Amending Act is the levy of a special additional single point tax on the sale of some luxury goods e.g. motor cars, refrigerators, wireless sets. It is clear therefore that both in order to cope with the steady increase in the number of assesseees and to deal with the additional work now devolves on the Commercial Taxes staff consequent on the amendments to the Act, strengthening of the staff is necessary.

3. In consultation with the Finance Department it has been decided to adopt the following yard-stick for staff. An Assistant Commercial Tax Officer should not generally have more than 275 assesseees under his charge; a Deputy Commercial Tax Officer should not ordinarily have more than 375 assesseees under his charge. In regard to clerical and menial staff it is considered that an Assistant Commercial Tax Officer's Office requires 3 lower division clerks and 3 peons, a Deputy Commercial Tax Officer's Office 2 lower division clerks, one attender and 2 peons and a Commercial Tax Officer's Office one upper division clerk, 2 lower division clerks, one typist and 3 Peons.

4. On the basis of the above yard-stick and regard being had to the staff already in existence, the following additional staff will be necessary:-

- 47 Deputy Commercial Tax Officers on Rs. 200-10-300 each per mensem.
- 53 Assistant " " " on Rs. 150-5-200 " " "
- 429 lower division clerks on Rs. 45-90 each per mensem.
- 21 typists on Rs. 45-90 per mensem.
- 44 attenders on Rs. 24-35 each per mensem.
- 22 peons on Rs. 10-20 each per mensem.

The expenditure on account of the additional staff will be about Rs. lakhs per annum.

5. The Board pressed that early orders should issue sanctioning the additional staff because delay was likely to result in loss of

loss of revenue due to inadequate supervision by the existing staff and consequent tax evasion. In view of the extreme urgency, the proposal was not referred to the Standing Finance Committee and the Cabinet. Orders sanctioning the employment of the staff till 31.3.49 were issued after obtaining the approval of the Hon'ble the Minister for Finance and the Hon'ble the Premier. A summarising Note marked "Special" is now being circulated to the other Hon'ble Ministers who have not seen the case, to the Chief Secretary and to the Finance Department in accordance with the procedure prescribed in paragraph II(iii) of Finance (Budget General) Department U.O. Note No. 26978(A) - BG-4 dated 21.11.47;

6. The expenditure on account of the additional staff, which, as already stated, will be about Rs. 11 lakhs per annum, will be debited to "13.d-Other taxes and Duties-Commercial Taxes-Pay of Establishments-Voted". The Accountant General is instructed to admit the expenditure in audit pending provision of necessary funds, which will be obtained in due course through a supplementary statement of expenditure.

Sd/-x x 'x x
29.5.48.

To All Hon'ble Ministers.
To The Chief Secretary.
To Finance.

/True Copy/

SP/2.12.

[Signature]
Office Assistant,
Madras Record Office.
[Stamp]
31-12 31-12